

Initial Statement of Reasons

SECTION 9531. INSTRUCTIONAL MATERIALS FUNDING REALIGNMENT PROGRAM

and

SECTION 9532. SCHOOL DISTRICT OR CHARTER SCHOOL IN ITS FIRST YEAR OF OPERATION OR EXPANDING GRADE LEVELS AT A SCHOOL SITE

SPECIFIC PURPOSE OF THE REGULATION.

The proposed regulations will establish the expenditure percentages and priorities for the use of state instructional materials funds for grades K-12, as well as, clarify and define the procedures for new school districts, charter schools, and schools with expanding grade levels.

NECESSITY/RATIONALE.

The Legislature adopted the Instructional Materials Funding Realignment Program (Education Code sections 60421-60424) to consolidate the various sources of funding for instructional materials, grades K-12, and to allocate the funds on a consistent basis for grades K-12. It also made adjustments to related Education Code sections to implement the program.

Regulations are proposed to:

- Guide the distribution of \$400 million in funding to be appropriated in January 2003.
- Implement Education Code section 60242 subdivision (b), which requires “The state board shall specify the percentage of a district’s allowance that is authorized to be used for each of the purposes identified in subdivision (a).”
- Clarify the priorities in Education Code section 60421-60422 for the expenditure of funds.
- To ensure the purchase of textbooks and basic instructional materials are consistent with the content and cycles of the K-12 curriculum frameworks in all subjects pursuant to the requirements of Education Code section 60119.
- Clarify and define the procedures for new school districts, new charter schools, or schools with expanding grade levels to provide estimates of enrollment in order to receive funding.

The proposed regulation Section 9531, discussed below, clarifies the priorities for the purchase of instructional materials and defines the percentages that are authorized for specific purposes. The State Board of Education (Board) has determined that, for students in grades K-8, the first priority is the provision of standards-aligned textbooks or instructional materials in reading/language arts adopted by the Board on or after 2002, and mathematics instructional materials adopted on or after 2001. The second priority is the provision of instructional materials adopted by the Board in history-social science on or after 1999, and science on or after 2000.

The Board has determined that instructional materials adopted in 1999 under the AB2519 adoption process do not qualify for the purposes of this funding as these materials were not adopted using criteria from a standards-aligned framework.

A school district or charter school in its first year of operation or of expanding grade levels at a school site, shall be eligible to receive funding based on enrollment estimates provided to the Department by the school district or charter school. The Board has determined a need for further regulatory clarification as to what constitutes the commencement date for purposes of funding a school district or charter school in its first year of operation and what constitutes expanding grade levels to calibrate with current law.

TECHNICAL, THEORETICAL, AND/OR EMPIRICAL STUDY, REPORTS, OR DOCUMENTS

The Board did not rely upon any technical, theoretical or empirical studies, reports or documents in proposing the adoption of this regulation.

REASONABLE ALTERNATIVE TO THE REGULATION AND THE AGENCY'S REASONS FOR REJECTING THOSE ALTERNATIVES

As an alternative to adopting regulations, the Board could issue a policy related to the expenditure of instructional materials funds. AB 1781 and the requirements it places upon districts represents a major change in the Instructional Materials Fund. Due to the complexity of these provisions and need for clarification of ambiguous provisions of the Instructional Materials Fund Realignment Program, the Board has determined that regulations must be established in order to implement the Instructional Materials Funding Realignment Program.

REASONABLE ALTERNATIVES TO THE PROPOSED REGULATORY ACTION THAT WOULD LESSEN ANY ADVERSE IMPACT ON SMALL BUSINESS.

The Board has not identified any alternatives that would lessen any adverse impact on small business.

EVIDENCE SUPPORTING FINDING OF NO SIGNIFICANT ADVERSE ECONOMIC IMPACT ON ANY BUSINESS.

The regulations clarify which materials may be purchased with state Instructional Materials Funds and the percentages that can be spent on various specified categories. There may be a financial impact on some publishers of supplementary materials to the extent that some materials may no longer be purchased by districts using state Instructional Materials Funds. This impact is minimal and therefore, the proposed regulations would not have a significant adverse economic impact.